SINGLE ARMY LOGISTICS ENTERPRISE (SALE)

DALEI
FROM THE DESK OF THE DALEI

As we begin the second half of the fiscal year and a welcomed seasonal change, we also begin a new era in the management and organizational structure of a major element of the SALE, the Logistics Modernization Program. Change, as we all know, often presents challenges and anxiety. However, with the full cooperation and enthusiastic support of all involved, we will be successful in meeting these challenges. This edition of our SALE Newsletter will address those changes and how they impact the Army logistics community.

In our last issue, we featured an article on the people and organizations that make up the SALE governance structure. While those people and organizations have not changed, we have made changes to the reporting chain and we'll tell you about those changes in this issue. You know that DOD programs must be adequately funded in order to function. But, are you aware of what program managers must go through to get that funding? We think

you will find it interesting to explore the processes, the players, and the impacts of the POM prioritization process on the SALE.

Regular features of this newsletter are articles to update you on the various programs. To keep you abreast of our incremental implementation strategy, you will find an update on LMP. Also, we cover new ground in articles on our PLM+ capabilities, DLA's Business Systems Modernization (BSM) program and the Logistics Information Warehouse (LIW).

While not exactly new ideas, we've added a couple of new features; *"Office of the DALEI Ongoing Actions"* and *"On the Horizon."* We hope the first will serve to keep you up-to-date with some of the things our action officers are doing. The latter, as the name implies, will provide a glimpse of what's coming up in the future so that you can better plan ahead. As always, we solicit your input to improve this newsletter. You have been most helpful in the past and I look forward to listening to your great ideas.

Ron Lewis

LMP
STATUS OF THE LOGISTICS MODERNIZATION PROGRAM

The Logistics Modernization Program (LMP), a crucial component of the Single Army Logistics Enterprise (SALE), is the Army's core initiative to replace its two largest and most important National-level logistics systems providing support to Warfighters: the Commodity Command Standard System (CCSS) supporting inventory management; and the Standard Depot System (SDS) supporting depot and arsenal operations. Computer Sciences Corporation (CSC) is modernizing the

National-level logistics systems as well as sustaining our existing legacy systems. LMP is utilizing an incremental deployment strategy - the Legacy systems are retired with each LMP deployment.

LMP is undergoing a state of transition and strategic realignment. Key aspects of LMP's strategic realignment involve a refocused work effort for FY06 as well as the transition of the acquisition governance from HQ Army Materiel Command (HQ AMC) to the Program Executive Office, Enterprise Information Systems (PEO EIS). During and after the realignment, the FY 2006 work plan focuses on addressing Chief Financial Officer/Federal Financial Management Improvement Act (FFMIA) compliance, resolving operational issues at the initial deployment sites, providing data processing for the modernized solution, and sustaining both the legacy and modernized services.

LMP has been deployed to over 4,000 users in AMC, including the Communications Electronics-Life Cycle Management Command (CE-LCMC) and associated activities; Headquarters Army Materiel Command; and elements of the Defense Finance and Accounting Service (DFAS). The currently deployed functionality equates to about 80 percent of overall program requirements. The remaining functionality for LMP will be delivered incrementally. LMP's way ahead will be addressed and measured during a program review to be held in June 2006. Dates for the remaining deployments to approximately 15,000 additional users at the AMC major subordinate commands and related sites will then be determined.

LMP leverages an international industry standard Enterprise Resource Management (ERP) solution, SAP®, which provides an integrated logistics management capability that manages supply and demand, maintains data, manages asset availability, maintains financial control and reporting, and

manages distribution. The modernized services deliver a more robust and integrated production management capability supporting critical systems such as the armored, wheeled, and aviation fleets, and command and control electronics delivery systems for the Warfighter and foreign military sales operations. LMP's phased implementation assures continuity of current supply chain solutions supporting our Soldiers in the Global War on Terrorism. POC is Jimmy Thomas, 703-806-9142.

POM Prioritization

ARMY LOGISTICS SYSTEMS PROGRAM OBJECTIVE MEMORANDUM (POM) PRIORITIZATION

The Army G4, PEO EIS, CASCOM, and the Office of the DALEI have been working together to prioritize Logistics IT investments for POM FY08-13. The process began in the fall with a review of both draft and published Army Program Prioritization Guidance (APPG), Army Campaign Plan, and other strategic Army documents. It established a baseline for selecting specific applicable criteria for metrics to be used to review the direct funded Logistics IT investments. This review produced a plan that included criteria for the conduct of a Logistics Review Board. The plan was briefed to the Business Process Council (BPC) which recommended minor adjustments. As a result, the focus in the process changed from matching DA priorities used in the FY06-11 POM, to a focus on delivering capabilities per the guidance in the APPG. The Army G4 was briefed and approved the final prioritization criteria that the Logistics Automation Prioritization Board used during the review process.

On 6-9 Feb 06, system proponents (Active and Reserve) briefed each of the 41 Logistics IT investments to the Board,

consisting of GS-15 level members from Army G4, CASCOM and the Office of the DALEI. The board then voted on the specific strategic Army criteria previously approved by the Business Process Council. Certain trends surfaced in the review of the multi-billion dollar Logistics IT investment programs. Of note was a potential to reconsider the fielding process for Logistics IT and discovery of a common system hardware sustainment bill across multiple Army commands.

Results of the prioritization board were reviewed by the BPC and forwarded to the Army G4. Subsequently, the Logistics Domain owner established a charter and Tiger Team to develop a long term Strategic Plan and Capital Investment plan. This plan was compared to the priorities from the prioritization board and used during Management Decision Evaluation Package (MDEP) reviews. The SS PEG chair will work with Army G4 leadership on cross PEG priorities to solidify the proposed Logistics IT investment budget for POM FY08-13.

POC is Lew Johnson, AMCOPS-EA, 703-806-9151.

GCSS-A GLOBAL COMBAT SUPPORT SYSTEM – ARMY PRODUCT LIFECYCLE MANAGEMENT PLUS (GCSS-ARMY PLM+)

Within the architectural framework of the Single Army Logistics Enterprise (SALE), GCSS-Army PLM+ is the enterprise integrator, connecting not only the field tactical and national Army but, providing interfaces to external trading partners as well. PLM+ will provide information exchange support for external systems (i.e. trading partners) and enterprise master data support for Customer and Vendor Master Data.

The technology foundation of the SALE is PLM+ using SAP NetWeaver (Figure 1) to deliver the integrated solution. NetWeaver provides a set of SAP products that work together to support and improve performance.

Some of the SAP products used include Exchange Infrastructure (XI), which supports communications between SAP and non-SAP systems; Master Data Management (MDM) which stores, augments and consolidates master data, while ensuring consistent distribution to all systems within the logistics
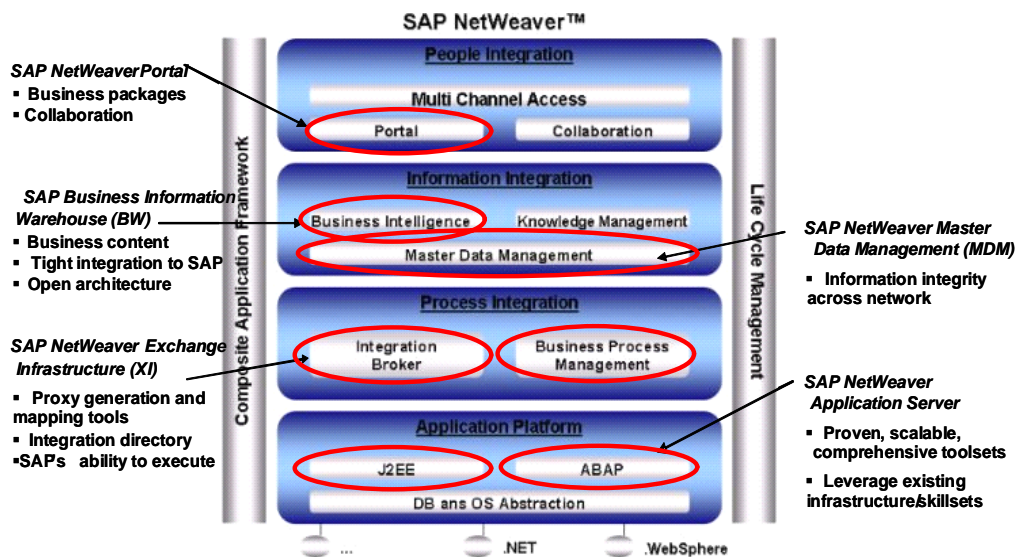

Figure 1: Technology Graphic of SAP NetWeaver®

architecture; and Business Intelligence (BI) which brings the appropriate information together, aids in analysis, disseminates the findings, and provides integrated actionable logistics information in support of strategic and technical decision-making. Additionally, Enterprise Portal (EP) will allow users to acquire the information and application views that span the enterprise. It will provide GCSS-Army (PLM+) users, partners, and customers with instant, secure and role-based access to relevant information and applications. Through the Enterprise Portal, workflow functionality will facilitate approval notifications to not only initiate change, but to create and update master data records. The Enterprise Portal will control the exchange of data between SALE systems and those of its trading partners, while providing Army with a centralized and reliable means to connect and control the exchange of data.

The current focus is on two types of enterprise master data, Customer and Vendor Master. Customer master data contains critical customer information such as accounts, locations, and unique related information found in agency data such as Department of Defense Automatic Addressing Codes (DODAAC), Routing Identification Codes (RIC), Unit Identification Codes (UIC) and geographic data.

Vendor master data records contain approved vendor information keyed to accounts, locations and unique information that is linked to products and services approved for purchase. Working across multiple systems and locations, MDM leverages the power of a single logistics enterprise by providing a more cost effective data management approach. Significantly, by providing cross-systems data consistency, an increase in the execution of the logistics business processes will be realized, resulting in a richer and timelier decision support system.

PLM+ is currently performing Blueprinting, a phase which establishes the baseline for the work to be accomplished and documents the requirements of the business solution, which will then be tested during the follow-on Realization Phase. Recent activities have included: conducting integration workshops with external trading partners and holding MDM (Customer/Vendor) Workshops, identifying other types of Master Data objects, and developing a technology demonstration of PLM+'s capabilities.

POC is Debby Laforme, AMCOPS-EL, 703-806-9161.

BSM

DLA NEARS COMPLETION OF MAJOR SYSTEM, BUSINESS PROCESS CHANGES

One of the largest enterprise resource planning initiatives in the Department of Defense is nearing successful completion at the Defense Logistics Agency (DLA). Since 2002, DLA has been in the process of transitioning to its Business Systems Modernization (BSM) program, which replacing DLA's legacy systems — the Standard Automated Materiel Management System and the Defense Integrated Subsistence Management System.

BSM is a major re-engineering effort that uses commercial-off-the-shelf software and state-of-the-art technologies across all DLA supply chains to provide end-to-end materiel, financial, and procurement management faster and more efficiently for its customers. As part of this effort, DLA also changed many of its business practices by adopting the commercial practices embedded in the new software. Benefits to customers include improved service and faster response, increased readiness, and best value. BSM moves DLA from functioning within stove-piped segments to providing enterprise-wide processes for a more complete logistics solution to its customers.

DLA began BSM, July 31, 2002, as a "concept demonstration" or limited release of capabilities. It encompassed all of the Agency's supply chains at the time, except energy. The concept demo occurred in a live environment and included approximately 175,000 repair parts, subsistence items, medical products, and clothing and textile uniform items. It allowed DLA to deliver a fully operational tested system with a trained workforce supporting existing customer commitments. Subsequent releases and cutovers added items, users, and capabilities, and finished the addition of program functional capabilities. DLA, along with the end users who manage those items, is now in the midst of an aggressive roll-out schedule of the remaining items it manages, which will take BSM to full operational capability in 2006.

BSM's initial release was a "period of discovery and learning," described as "broad enough to demonstrate but small enough to manage risk." The schedule of monthly migrations and any changes can be found on the Customer Resource Information Center site at www.dla.mil/j-4/cric.

LIW LOGISTICS INFORMATION WAREHOUSE (LIW): PROVIDING A RESPONSIVE ENTERPRISE LOGISTICS INTELLIGENCE CAPABILITY

Alexander the Great was an extraordinary military leader, but it is less well known that he was an equally extraordinary logistician. In *Alexander the Great and the Logistics of the Macedonian Army*, the author concluded that Alexander's military successes stemmed from his adroit use of logistics intelligence. Interestingly, today

we find the U.S. Army conducting operations on some of Alexander's battlegrounds in Iraq & Afghanistan. Now, let's fast forward to the twenty-first century and Operation Iraqi Freedom (OIF).

The lessons of OIF highlighted the necessity of having first-rate logistics intelligence. OIF revealed that the US. Army needs an enterprise-level logistics intelligence capability to support today's fast-moving, agile, and technologically enabled Warfighter. Namely, the Army needs a single, authoritative source of logistics, a timely and reliable information distribution capability, and a common relevant operational picture (CROP) that provides the strategic, operational, and tactical logistics posture. The SALE help address this need by providing LIW in SALE Increment 2.

The Army G-4 charged the Logistics Support Activity (LOGSA) with merging the Logistics Integrated Database (LIDB) and the Integrated Logistics Analysis Program (ILAP) into LIW. Before achieving end state with SAP Business Warehouse, the Army must merge these databases. LIDB focuses mainly on the national level, and ILAP focuses primarily on the tactical level. This begins the transition to enterprise-level logistics intelligence.

LIW will result in more effective and efficient logistic operations through improved data visibility, elimination of existing database redundancies, and an improved logistics analytics capability. LIW's stated goals are:

- Support modular forces under one program manager
- Create a single authoritative logistics data/information distribution capability
- Display one accurate, end-to-end view of logistics and fiscal posture
- Equip modular forces to readily access the common logistics information
- Prepare for the transition to the SALE

LIW will offer more than standard reports. It includes alerts, root-cause analysis and a robust drill-down capability. Moreover, LIW will facilitate and simplify the master-data transition to Product Life Cycle Management Plus (PLM+). Operationally, this results in more reliable and timely data, which support more responsive and precise decision-making. That means getting the right information, to the right leaders, at the right time!

Just as Alexander the Great recognized the significance of logistics intelligence, the Army's leadership, likewise, recognized the same and has made a commitment to outfit the Warfighter with the best that technology has to offer. Moving to LIW underscores the Army's recognition of the importance of providing a first-class logistics intelligence capability to the Warfighter. This effort begins the transition to an enterprise-level logistics intelligence capability.

POC is Alex Milo, AMCOPS-EL, 703-806-8516.

ACTIONS
OFFICE OF THE DALEI ONGOING ACTIONS

National Inventory Management Strategy (NIMS). Army and DLA are engaged in discussions on the approach for initiating a series of detailed functional and technical integration NIMS workshops. Initial transfer of ownership (decapitalization/capitalizations) activities for DLA-managed stocks from Army Working Capital Fund (AWCF) to DLA's Defense Working Capital Fund (DWCF) will also be included in these discussions. These discussions will use the Army and DLA NIMS business rules and SALE Process Executives NIMS White Paper as the framework to build the detailed business processes. POC is Carlos Morrison, 703-806-9164.

Shelf-life Management. The Lead AMC Integration Support Office (LAISO) convened a Shelf Life Management Workgroup meeting at Redstone Arsenal, Alabama during the period 31 Jan - 02 Feb 06 to discuss Business Rules for Shelf Life Coded (SLC) Item Management. The results of the workshop included establishing internal management controls and business rules to monitor shelf-life items throughout their supply chain life cycle. POC is Ms. Pat Hudson, DSN 897-4435, patricia.hudson@us.army.mil.

Army Reserve Component / Army National Guard Enterprise Solution. On 20 Mar 06, the SALE Business Process Council (BPC) reached agreement stipulating that the mission of Reserve Component (RC) TDA will determine whether GCSS-Army (F/T) or LMP is the best fit. In peacetime, the ARNG and USAR operate TDA maintenance and supply activities that are RC unique. Today, these organizations do organizational and direct support maintenance; some, perform general support and limited depot work. As a general rule, they do not deploy. However, by statute, personnel who man these activities must belong to a RC unit and in most cases do deploy maintaining MTOE equipment for both domestic and overseas contingencies. Other activities such as ARNG AVCRADS, CRCs and CRPs, execute both field and sustaining level missions. Additional BPC guidance directed more brainstorming to look at the feasibility of building a GCSS-A (F/T)/LMP solution that best fits the mission of these activities. POC is Terry Clark, 703-806-9178.

Performance Based Logistics (PBL). The AMC EI PBL - Sub IPT provides recommendations and Army policy guidance for SALE issues and concerns to support "best value" contract awards and/or agreements in support of PBL implementation for each Sub-IPT (Business Case Analysis, Contracting, Metrics, Product Support Integration, Performance Based Agreements, and

Automation and Reporting). To this end, over the last six months AMC EI Sub - IPT has completed and staffed several recommendations and concerns for each of the PBL Sub-IPT draft policies and PBL guides that will help provide guidance to the Army community for standards, research, recommended clauses, incentives and identify legislative/ regulatory changes required. POC is Daniel Alcide, 703-806-9218.

Funds Control. The Office of the DALEI continues to supervise development and fielding of the ASA (FM&C) Funds Control initiative. Key to the Army G4 is Funds Control's ability to eliminate the need for "sterile" DODAACs. Additionally, Army G4 is considering having EMALL and other non-SARSS transactions linked to Funds Control to check for funds availability and create the initial obligation in the financial system. The Funds Control program is near completion of System Integration Testing (SIT). The program is preparing to start the Lead Verification Site Test (LVST) at 8th U.S. Army and Texas National Guard on 1 Apr 06. POC is Douglas Hone, 703-806-9212.

Army Logistics Domain Strategic IT Plan. The Office of the DALEI, along with CASCOM and LTA, is participating in a Tiger Team effort led by the Army G4 to develop the Army Logistics Domain Strategic IT Plan. This document will layout the goals, objectives, and key strategies to implement the plan and will link the investment strategy for Army logistics IT systems. POC is Ms. Paulette Schwoebel, 703-806-9219.

ON THE HORIZON

Event	Date	POC	Number
• Funds Control Lead Site Test	1 Apr 06	Doug Hone	703-806-9212
• Fort Gillem CTASC move	3 Apr 06	Bill Oldaker	703-806-8909
• ARNG Logistics Management Seminar	3-5 Apr 06	Terry Clark	703-806-9178
• Army Portfolio Management Solution Configuration Control Board	5-6 Apr 06	Dan Marr	703-806-9194
• Business Process Council	12 Apr 06	Carlos Morrison	703-806-9164
• Fort Bragg CTASC move	14 May 06	Bill Oldaker	703-806-8909
• GCSS Family of Systems Conference	18 May 06	Billy Smith	703-806-9184
• Business Process Council	25 May 06	Carlos Morrison	703-806-9164

SALE Home Page:
http://www.amc.army.mil/G3/org/e/e.htm

Please contact any of the POCs listed below, if you have questions or comments.

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Transformation Integration Division
Mr. Bill Oldaker
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National Logistics Integration Division
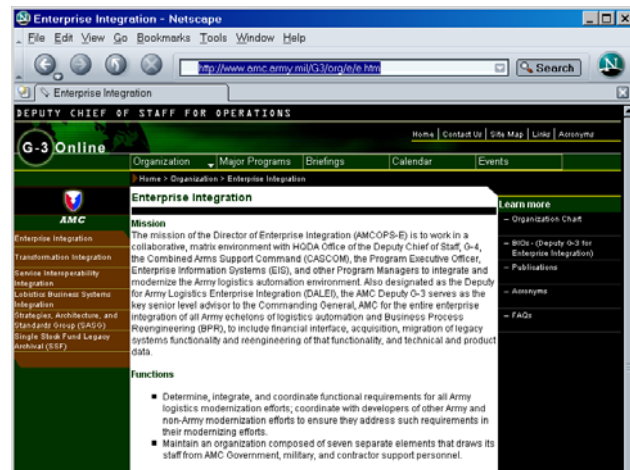Mr. Gary Blevins
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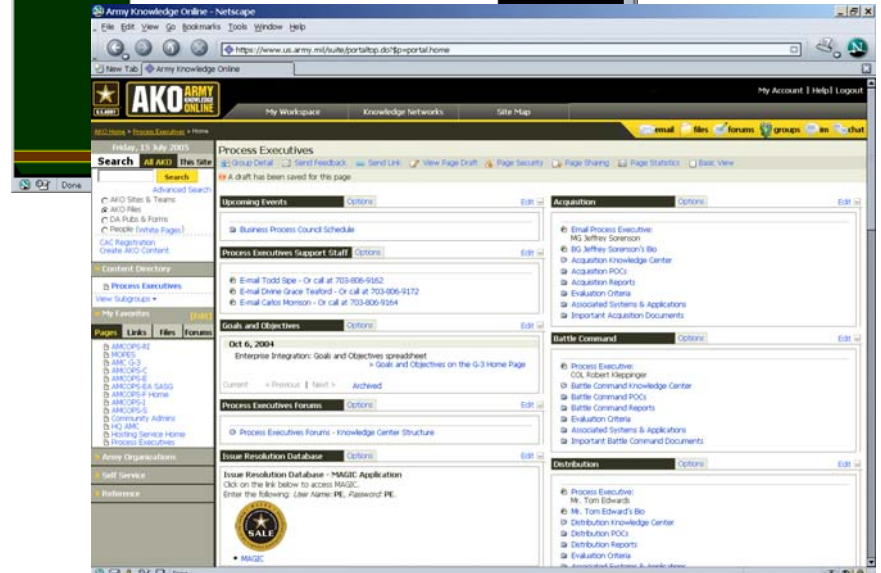703-806-9456

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Go to the SALE web site for further information and other aspects of SALE programs.

Process Executives Home Page on AKO:
https://www.us.army.mil/suite/portal.do?$p=964